Amount Deposited by NRIs in Banks in Tamil Nadu

950. SHRI S. AUSTIN: Will the Minister of FINANCE be pleased to state:

(a) the amount deposited by the Non-Resident Indians (NRIs) in various Public Sector Banks in Tamil Nadu during 1993-94 and 1994-95 so far; and

(b) the banks in Tamil Nadu in which maximum amount has been deposited by the NRIs ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V.CHANDRASHEKARA MURTHY):(a) and (b) The Information is being collected and will be laid on the Table of the House to the the extent available.

Indian Development Bonds

951. SHRI S. AUSTIN:
SHRI GUNDAPPA KORWAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have received complaints from Non-Resident Indians about problems being created by income tax authorities over loans from scheduled banks in India against collateral security of India Development Bonds;

(b) if so, the details thereof ; and

(c) the corrective steps being taken by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V.CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) A complaint dated 24-11-1993 was received by Government of India that Indian Income Tax Authorities were asking Indian firms and companies who had been advanced loans by Scheduled Banks in India against collateral security of India Development Bonds pledged by Non-Resident Indians and Overseas Corporate Bodies to disclose the names and particulars of the holders of India Development Bonds. It was contended that this was against the immunity granted to Non-Resident Indians under the Remittances of Foreign Exchange and Investment in Foreign Exchange Bonds (Immunities & Exemptions) Act, 1991.

(c) In their letter dated 16-12-93 to the complainant, copies of which were sent to the Income Tax authorities the Central Board of Direct Taxes clarified that once a scheduled bank certifies in writing that the loan has been taken against the collateral security of India Development Bonds beloging to a Non-Resident Indian, an Overseas Corporate Body, or a Bank holding India Development Bonds in a fiduciary capacity or against collateral security of such India development Bonds gifted to an Indian citizen, the Indian Income Tax authorities are precluded from instituting further inquiries.

Subsequently, on 21-3-1994, the Central Board of Direct Taxes further clarified that the Income Tax authorities will, however be free to inquire from the Indian resident availing the loan from a bank the consideration, if any paid to the bank or to the holder of security for arranging and providing the collateral security and the terms of this arrangement.

Smuggling of gold from Dubai

952. SHRI GUNDAPPA KORWAR: Will the Minister of FINANCE be pleased to sate:

(a) whether Government are aware of the smuggling of gold into the country from Dubai;

(b) if so, the quantum of smuggled gold seized during 1992-93; and

(c) the steps taken by Government to check the gold smuggling from Dubai?